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Scale of assessments for apportionment of the regular budget expenses for the biennium 2016-2017

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Thirty-first session
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Item 7 of the provisional agenda
Scale of assessments for apportionment of the regular budget expenses for the biennium 2016-2017

Scale of assessments for the fiscal period 2016-2017

Note by the Secretariat

The present document proposes a scale of assessments for the fiscal period 2016-2017, based on the latest available United Nations scale adopted in resolution 67/238 by the United Nations General Assembly, adjusted to the membership of UNIDO.

I. Scale of assessments

1. The Programme and Budget Committee is required under Article 10.4 of the Constitution to prepare the draft scale of assessments for regular budget expenditures, for submission to the Board. In accordance with Article 15.1 of the Constitution of UNIDO "regular budget expenditures shall be borne by the Members, as apportioned in accordance with a scale of assessment established by the Conference by a two-thirds majority of the Members present and voting, upon the recommendation of the Board adopted by a two-thirds majority of the Members present and voting, on the basis of a draft prepared by the Programme and Budget Committee." Furthermore, Article 15.2 states that "The scale of assessments shall be based to the extent possible on the scale most recently employed by the United Nations."

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2. The latest available United Nations scale is the scale of assessments adopted on 24 December 2012, in General Assembly resolution 67/238, for a three-year period 2013-2015, which establishes:

(a) A minimum assessment rate of 0.001 per cent;

(b) A maximum assessment rate for the least developed countries (LDCs) of 0.01 per cent;

(c) A maximum assessment rate of 22 per cent.

3. The application of these assessment rates, adjusted to the membership of UNIDO, results in a total assessment of 59.817 per cent (column 1 of the annex), owing to differences in membership between the United Nations and UNIDO. To produce a scale of assessment that covers 100 per cent of the regular budget expenditures of UNIDO, it is necessary to apply a mathematical coefficient to the United Nations rates for UNIDO Member States. The coefficient is not applied to the rates of United Nations Member States paying the minimum assessment of 0.001 per cent, and it ensures that the rate of LDCs does not exceed 0.01 per cent. The coefficient calculation is shown below.

Calculation of coefficient for the year 2016-2017
(Percentage)

	United Nations rate of assessment 2013-2015	*UNIDO rate of assessment 2016-2017*
Total (169 Member States)[1]	59.817	100.000
UNIDO Member States paying the minimum assessment (0.001 per cent × 30 States)	-0.030	-0.030
LDCs (0.01 per cent × 8 States)	-0.080	-0.080
Total for calculation of coefficient	59.707	99.890
Coefficient for 2016-2017: 99.890/59.707		1.67300316545799

4. The calculation of the new scale of assessment did not result in any country being assessed above 22 per cent and, therefore, this conditionality has not been applied in arriving at the coefficient for 2016-2017.

5. Column 2 of the annex to the present note shows the resulting UNIDO scale of assessment for the fiscal period 2016-2017 by applying the coefficient mentioned above. Column 3 shows assessment rates for 2014 and 2015, included for comparison purposes only.

New Member States

6. In accordance with financial regulation 5.6, new members shall be assessed for the year in which they become members at rates to be determined by the

[1] As of 16 March 2015, 170 States were Members of UNIDO, all of which are shown in the annex of document PBC.31/11. For the purposes of the calculation of the coefficient, the withdrawal of Belgium, which becomes effective on 31 December 2015, as well as the accession of the Marshall Islands on 16 March 2015 has already been taken into account and hence 169 countries are included in the calculation.

Conference. Adjustments to the scale to include any State that may become a member between now and the closure of the sixteenth session of the General Conference in accordance with Articles 3, 24 and 25 of the Constitution will be communicated to the Conference.

II. Action required of the Committee

7. The Committee may wish to propose to the Industrial Development Board the adoption of the following draft decision:

"The Industrial Development Board:

(a) Takes note of document IDB.43/7-PBC.31/7;

(b) Recommends to the General Conference the establishment of a scale of assessments for the fiscal period 2016-2017 based on the United Nations General Assembly resolution 67/238, adjusted to the membership of UNIDO on the understanding that new members shall be assessed for the year in which they become members on the basis of the United Nations scale of assessments, as applicable to UNIDO;

(c) Urges Member States to pay their assessed contributions for the 2016-2017 biennium in accordance with financial regulation 5.5 (b), which states that contributions and advances shall be due and payable in full within thirty days of the receipt of the communication of the Director General, or as of the first day of the calendar year to which it relates, whichever is later;

(d) Calls on Member States and former Member States that are in arrears to fulfil their constitutional obligations by paying their outstanding assessed contributions in full and without conditions as soon as possible, or to take advantage of payment plans to settle their arrears, in accordance with previous decisions by the policymaking organs of UNIDO."

Annex

Scale of assessments for 2016-2017

(Percentage)

Member State	*United Nations assessment rates 2013-2015[a]* *(1)*	*UNIDO assessment rates 2016-2017[a,b]* *(2)*	*UNIDO assessment rates 2014-2015* *(3)*
Afghanistan	0.005	0.008	0.008
Albania	0.010	0.017	0.016
Algeria	0.137	0.229	0.224
Angola	0.010	0.010	0.010
Argentina	0.432	0.723	0.705
Armenia	0.007	0.012	0.011
Austria	0.798	1.335	1.303
Azerbaijan	0.040	0.067	0.065
Bahamas	0.017	0.028	0.028
Bahrain	0.039	0.065	0.064
Bangladesh	0.010	0.010	0.010
Barbados	0.008	0.013	0.013
Belarus	0.056	0.094	0.091
Belize	0.001	0.001	0.001
Benin	0.003	0.005	0.005
Bhutan	0.001	0.001	0.001
Bolivia (Plurinational State of)	0.009	0.015	0.015
Bosnia and Herzegovina	0.017	0.028	0.028
Botswana	0.017	0.028	0.028
Brazil	2.934	4.909	4.791
Bulgaria	0.047	0.079	0.077
Burkina Faso	0.003	0.005	0.005
Burundi	0.001	0.001	0.001
Cabo Verde	0.001	0.001	0.001
Cambodia	0.004	0.007	0.007
Cameroon	0.012	0.020	0.020
Central African Republic	0.001	0.001	0.001
Chad	0.002	0.003	0.003
Chile	0.334	0.559	0.545
China	5.148	8.613	8.405
Colombia	0.259	0.433	0.423
Comoros	0.001	0.001	0.001
Congo	0.005	0.008	0.008
Costa Rica	0.038	0.064	0.062
Côte d'Ivoire	0.011	0.018	0.018
Croatia	0.126	0.211	0.206
Cuba	0.069	0.115	0.113
Cyprus	0.047	0.079	0.077
Czech Republic	0.386	0.646	0.630
Democratic People's Republic of Korea	0.006	0.010	0.010

Member State	*United Nations assessment rates 2013-2015[a] (1)*	*UNIDO assessment rates 2016-2017[a] (2)*	*UNIDO assessment rates 2014-2015 (3)*
Democratic Republic of the Congo	0.003	0.005	0.005
Denmark	0.675	1.129	1.102
Djibouti	0.001	0.001	0.001
Dominica	0.001	0.001	0.001
Dominican Republic	0.045	0.075	0.073
Ecuador	0.044	0.074	0.072
Egypt	0.134	0.224	0.219
El Salvador	0.016	0.027	0.026
Equatorial Guinea	0.010	0.010	0.010
Eritrea	0.001	0.001	0.001
Ethiopia	0.010	0.010	0.010
Fiji	0.003	0.005	0.005
Finland	0.519	0.868	0.847
Gabon	0.020	0.033	0.033
Gambia	0.001	0.001	0.001
Georgia	0.007	0.012	0.011
Germany	7.141	11.947	11.660
Ghana	0.014	0.023	0.023
Greece	0.638	1.067	1.042
Grenada	0.001	0.001	0.001
Guatemala	0.027	0.045	0.044
Guinea	0.001	0.001	0.001
Guinea-Bissau	0.001	0.001	0.001
Guyana	0.001	0.001	0.001
Haiti	0.003	0.005	0.005
Honduras	0.008	0.013	0.013
Hungary	0.266	0.445	0.434
India	0.666	1.114	1.087
Indonesia	0.346	0.579	0.565
Iran (Islamic Republic of)	0.356	0.596	0.581
Iraq	0.068	0.114	0.111
Ireland	0.418	0.699	0.682
Israel	0.396	0.663	0.647
Italy	4.448	7.442	7.263
Jamaica	0.011	0.018	0.018
Japan	10.833	18.123	17.688
Jordan	0.022	0.037	0.036
Kazakhstan	0.121	0.202	0.198
Kenya	0.013	0.022	0.021
Kuwait	0.273	0.457	0.446
Kyrgyzstan	0.002	0.003	0.003
Lao People's Democratic Republic	0.002	0.003	0.003
Lebanon	0.042	0.070	0.069
Lesotho	0.001	0.001	0.001
Liberia	0.001	0.001	0.001
Libya	0.142	0.238	0.232

Member State	*United Nations assessment rates 2013-2015[a]* *(1)*	*UNIDO assessment rates 2016-2017[b]* *(2)*	*UNIDO assessment rates 2014-2015* *(3)*
Luxembourg	0.081	0.136	0.132
Madagascar	0.003	0.005	0.005
Malawi	0.002	0.003	0.003
Malaysia	0.281	0.470	0.459
Maldives	0.001	0.001	0.001
Mali	0.004	0.007	0.007
Malta	0.016	0.027	0.026
Marshall Islands	0.001	0.001	-
Mauritania	0.002	0.003	0.003
Mauritius	0.013	0.022	0.021
Mexico	1.842	3.082	3.007
Monaco	0.012	0.020	0.020
Mongolia	0.003	0.005	0.005
Montenegro	0.005	0.008	0.008
Morocco	0.062	0.104	0.101
Mozambique	0.003	0.005	0.005
Myanmar	0.010	0.010	0.010
Namibia	0.010	0.017	0.016
Nepal	0.006	0.010	0.010
Netherlands	1.654	2.767	2.700
Nicaragua	0.003	0.005	0.005
Niger	0.002	0.003	0.003
Nigeria	0.090	0.151	0.147
Norway	0.851	1.424	1.388
Oman	0.102	0.171	0.167
Pakistan	0.085	0.142	0.139
Panama	0.026	0.043	0.042
Papua New Guinea	0.004	0.007	0.007
Paraguay	0.010	0.017	0.016
Peru	0.117	0.196	0.191
Philippines	0.154	0.258	0.251
Poland	0.921	1.541	1.504
Qatar	0.209	0.350	0.341
Republic of Korea	1.994	3.336	3.256
Republic of Moldova	0.003	0.005	0.005
Romania	0.226	0.378	0.369
Russian Federation	2.438	4.079	3.981
Rwanda	0.002	0.003	0.003
Saint Kitts and Nevis	0.001	0.001	0.001
Saint Lucia	0.001	0.001	0.001
Saint Vincent and the Grenadines	0.001	0.001	0.001
Samoa	0.001	0.001	0.001
Sao Tome and Principe	0.001	0.001	0.001
Saudi Arabia	0.864	1.445	1.411
Senegal	0.006	0.010	0.010
Serbia	0.040	0.067	0.065

Member State	*United Nations assessment rates 2013-2015*[a] *(1)*	*UNIDO assessment rates 2016-2017*[b] *(2)*	*UNIDO assessment rates 2014-2015 (3)*
Seychelles	0.001	0.001	0.001
Sierra Leone	0.001	0.001	0.001
Slovakia	0.171	0.286	0.279
Slovenia	0.100	0.167	0.163
Somalia	0.001	0.001	0.001
South Africa	0.372	0.622	0.607
Spain	2.973	4.974	4.853
Sri Lanka	0.025	0.042	0.041
Sudan	0.010	0.010	0.010
Suriname	0.004	0.007	0.007
Swaziland	0.003	0.005	0.005
Sweden	0.960	1.606	1.567
Switzerland	1.047	1.752	1.710
Syrian Arab Republic	0.036	0.060	0.059
Tajikistan	0.003	0.005	0.005
Thailand	0.239	0.400	0.390
The former Yugoslav Republic of Macedonia	0.008	0.013	0.013
Timor-Leste	0.002	0.003	0.003
Togo	0.001	0.001	0.001
Tonga	0.001	0.001	0.001
Trinidad and Tobago	0.044	0.074	0.072
Tunisia	0.036	0.060	0.059
Turkey	1.328	2.222	2.168
Turkmenistan	0.019	0.032	0.031
Tuvalu	0.001	0.001	0.001
Uganda	0.006	0.010	0.010
Ukraine	0.099	0.166	0.162
United Arab Emirates	0.595	0.995	0.971
United Republic of Tanzania	0.009	0.010	0.010
Uruguay	0.052	0.087	0.085
Uzbekistan	0.015	0.025	0.024
Vanuatu	0.001	0.001	0.001
Venezuela (Bolivarian Republic of)	0.627	1.049	1.024
Viet Nam	0.042	0.070	0.069
Yemen	0.010	0.010	0.010
Zambia	0.006	0.010	0.010
Zimbabwe	0.002	0.003	0.003
169 Member States	**59.817**	**100.000**	**97.596**[c]

[a] Based on General Assembly resolution 67/238.

[b] The scale in column (1) multiplied by the coefficient of 1.67300316545799, the coefficient is not applied to (i) Member States with assessment rates of 0.001 per cent; and (ii) LDCs whose rate may exceed 0.01 per cent.

[c] Excluding former Member States.

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Working Capital Fund for the biennium 2016-2017

Working Capital Fund for the biennium 2016-2017

Proposals of the Director General

The present document proposes the level and authorized purposes of the Working Capital Fund for the biennium 2016-2017, and reports on the status of the Fund as at 31 December 2014.

I. Introduction

1. In accordance with financial regulation 5.4 (a), the Programme and Budget Committee should recommend to the Industrial Development Board the amount and purposes of the Working Capital Fund.

2. In the absence of an authority to borrow funds from external sources, the Working Capital Fund provides a vital source of cash to meet the Organization's financial commitments when there is insufficient income from assessed contributions due to delays or non-payments by Member States.

3. Financial regulation 5.4 (b) stipulates that "the sources of moneys for the Fund shall be advances from Members, which shall be made in the proportion of the scale of assessments established by the Conference for the contributions of Members to the regular budget. The advances shall be carried to the credit of the respective Members who made the advances".

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II. Biennium 2014-2015

4. In its decision GC.15/Dec.14, the General Conference decided that the level of the Working Capital Fund for the biennium 2014-2015 should remain at the level of €7,423,030 and that the authorized purposes of the Fund for the biennium 2014-2015 should remain the same as for the biennium 2012-2013 i.e. as stipulated in Conference decision GC.2/Dec.27, paragraph (b). Accordingly, the Conference authorized the Director General to advance from the Working Capital Fund during the 2014-2015 biennium:

> "(i) Such sums as might be necessary to finance budgetary appropriations pending the receipt of contributions; sums so advanced should be reimbursed as soon as receipts from contributions were available for that purpose;
>
> "(ii) Such sums as might be necessary to finance unforeseen and extraordinary expenses, excluding expenditures intended to compensate for any losses caused by fluctuation in exchange rates; for sums so advanced, the Director-General should make provision in the budget estimates for reimbursing the Working Capital Fund".

5. As at 31 December 2014, the status of the Fund was as follows:

Advances from Member States:	€7,268,114
Unpaid advances:	€154,916
Working Capital Fund:	€7,423,030

III. Proposals for the biennium 2016-2017

6. It is proposed that the current level of the Working Capital Fund of €7,423,030 and the authorized purposes of the Fund for the biennium 2016-2017 should remain the same as for the biennium 2014-2015, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b).

7. The Director General assumes that, for the 2016-2017 biennium, most Member States will continue to meet their obligations. However, the possibility of keeping the Working Capital Fund replenished to its authorized level is dependent on the contributions received from Member States. The continued replenishment of the Working Capital Fund is a priority of the Organization to ensure that prudent minimum levels of cash reserves are maintained. This would allow for the utilization of the Working Capital Fund in accordance with the approved purposes should the need arise.

IV. Action required of the Committee

8. The Committee may wish to recommend to the Industrial Development Board the adoption of the following draft decision:

> "The Industrial Development Board:
>
> (a) Takes note of document IDB.43/8-PBC.31/8;

(b) Recommends to the General Conference that the level of the Working Capital Fund for the biennium 2016-2017 should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2016-2017 should remain the same as for the biennium 2014-2015, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b);

(c) Urges Member States to pay their outstanding assessed contributions as soon as possible to minimize the need to withdraw sums from the Working Capital Fund to meet shortfalls in the payment of assessed contributions."